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SUBJECT: WEEKLY NEPAL MEDIA REPORT: MAY 6 - 12, 2003

- STATE FOR NP, AC, PM
- STATE FOR IN/R/MR
- STATE FOR SA/INS, PM/CBM, PM/PRO
- STATE FOR SA/PPD

11. POLITICAL AFFAIRS

"SECOND ROUND OF PEACE TALKS"

- -- The government and Maoists made incremental progress in the second round of peace talks (5/9) with the former agreeing to release a few jailed rebels and even limiting the Royal Nepal Army to within five kilometers of their barracks. The two sides also announced the formation of a monitoring and evaluation committee to oversee the implementation of the all-important code of conduct, which governs behavior during peace negotiations. (The Kathmandu Post, 5/10)-.. The Royal Nepal Army (RNA) has expressed serious discontent over the government-Maoist agreement to limit the army's movement within five kilometers of radius from military barracks. (Reports, 5/12)
- -- "The King is playing a game to divide Nepali Congress and the UML, said NC President Girija Prasad Koirala to the same journalists to whom the King had met a few days ago." (centrist "Kantipur," 5/12)
- -- "Maoist leader Dr. Baburam Bhattarai has said that the real talks have not started yet. He said that the "actual talks" would begin only when they entered into political agenda." (independent "Nepal Samacharpatra," V/D, 5/12)
- -- Facilitators in the current peace talks are wary of the outcome and fear a repeat of 2001, when the talks ended in failure. (centrist "Kathmandu Post," E/D, 5/11)
- "FIVE POLITICAL PARTIES' JOINT MOVEMENT AGAINST OCTOBER 4 ROYAL MOVE"
- -- Over one hundred persons were injured when the fourth day of the joint agitation against political regression turned violent in Kathmandu (5/11) following a police lathi (bamboo baton) charge on the demonstrators. Incidents of police lathi charge have also been reported from other places of the country. (Major newspapers, 5/12)
- -- "The King should not prolong [the stalemate]-. Otherwise, the Federation of Nepalese Journalists (FNJ) will also come out in the streets in support of the movement, said the President of the FNJ." (leftist "Sanghu," V/W, 5/12)
- -- The demonstrators burnt the effigies of "regression" across the country on the third day of the movement. (Media reports, 5/11)
- -- Army personnel swooped down on the peaceful demonstrations held in Nepalgunj (5/9) and arrested several activists of various political parties. (Major newspapers, 5/11)
- -- In a separate campaign, Nepali Congress (Democratic) launched its nation-wide protest campaign against the royal take over, demanding reinstatement of the Sher Bahadur Deuba government that was sacked by the king on October 4. (Media reports, 5/10)
- -- On the second day of the first phase of joint movement five political parties took out (5/9) joint rallies waving black flags across the country. (Media reports, 5/10)
- -- Agitating political parties staged a 20-minute long silent demonstration in the capital and across the nation. (Media reports, 5/9)
- -- UML General Secretary Madhav Kumar Nepal said (5/6) that Maoist leader Dr. Baburam Bhattarai "is anxious to get a telephone call inviting him to be the Prime Minister." (centrist "Spacetime Dainik," V/D, 5/7)

- -- The functioning of the Premier Chand's cabinet gives it poor public support to withstand the organized onslaught of the parties. (centrist "Telegraph," E/W, 5/7)
- -- The Royal Palace has put UML General Secretary Madhav Kumar Nepal on its black list after he severely criticized the King and the crown prince in the May 4 mass meeting. Nepali President Girija Prasad Koirala was successful in stimulating Nepal against the monarch and possibly preventing him from becoming the next Prime Minister. The Palace was, otherwise, considering appointing Nepal to the post of the Prime Minister. (centrist "Ghatana Ra Bichar," V/W, 5/7)
- -- The Chand government has started to ask for help from foreign powers, especially America, to abort the movement launched by five parliamentary parties. (leftist "City Times," V/D, 5/6)
 -- The leaders who encouraged the King to dissolve the elected government have begun to express their frustration not through the movement but through "imaginary movement." Nobody is ready to support the movement at a time when the talks are underway to resolve the Maoist problem. People's negative reaction to the May 4 mass meeting has made it clear that they will run away from the scene rather than the King will. (centrist "Punarjagaran," V/W, 5/6)
- -- "Kathmandu valley denizens have not supported the movement. People have punished Nepali Congress and the UML; they don't trust the five parties." (pro-Royal Palace "Gorkha Express," V/W, 5/6)
- -- "There's an increased bitterness between the government and political parties. There is once again a race of strength show in the country." (leftist "Yug Sambad," V/W, 5/6)
- "KING MEETS JOURNALISTS AND EXPRESSES UNHAPPINESS WITH POLITICAL PARTIES"
- -- King Gyanendra went on an offensive one day before five political parties launched a movement against him Thursday for what they call his regressive actions since October 4 last year. He met journalists Wednesday and put forth his views on events leading to the present stalemate between him and the opposition parties. The King said he will hand over executive power to that party or power that can give the country permanent peace. "First peace should be restored; the country will be stable only after the restoration of peace. Politics will be meaningless without the restoration of peace in the country. Efforts have been initiated in this direction. In the future, my wish is to hand over executive authority to representatives of that power and party that can give permanent peace."
- "Even now I have given my executive power to Prime Minister Lokendra Bahadur Chand. This demonstrates and it should be understood the King is committed to constitutional monarchy and multiparty system. There should be such discipline in political parties and not only with the King and people," the King told the journalists. The King said he did not suspend the constitution or hand over executive powers to others after the dismissal of Prime Minister Sher Bahadur Deuba on October 4 last year. "If the King wanted to snatch executive powers, he could have suspended the constitution or given executive authority to somebody. But he did not do this and kept executive powers to himself while asking representatives of parliamentary parties to recommend names for a prime minister," the King said. (Compiled from Nepalnews.com and others, 5/8)
- -- Five major political parties criticized the monarch's concerns. (Major newspapers, 5/9)
- "Analyzing the King's message to the editors of major dailies, political parties have concluded that the King is becoming very weak." (centrist "Deshantar," V/D, 5/11)
- -- "The Royal Palace is preparing to announce for elections." (leftist "Sanghu," V/W, 5/12)
- 12. U.S.-NEPAL
- "U.S. AMBASSADOR'S INTERVIEW ON NEPAL TELEVISION"
- -- U.S. Ambassador Michael Malinowski said that as good neighbor of Nepal, the U.S. always wanted to see democracy, multiparty system, constitutional monarchy and a government that respected human rights, was efficient, could keep corruption down and deliver goods

and services to its people.

Ambassador Malinowski said that the United States was worried about the recent political happenings in Nepal.

Talking to Nepal Television's popular talk show "Disha Nirdesh," he said that the U.S. was carefully watching the situation in the troubled Himalayan kingdom and it wished that the legal forces in the country and the civil society should be more cohesive in their efforts to bring permanent peace here. He said the U.S. supported the peace talks between the government and the Maoists. He expressed hope that the peace talks would be able to bring the insurgents into the system. The ambassador said it would not be in the interest of the Maoists to go back into the jungle. He said the U.S. interest in Nepal now was greater than ever because of the crisis in the country. Now the funds set aside for Nepal have reached \$38 million, the highest for a single year. He said the Maoists can get off the "secondary list" [State Department's recently announced terrorist list] if they stop violence, extortions and child abuse." (Ambassador Malinowski's 5/5 interview on Nepal Television and compiled media reports, 5/5-6)

- -- "Malinowski's interview indicates that the U.S. emphasizes on the establishment of human rights, permanent peace and democracy" (Editorial in the government-owned "Gorkhapatra," V/D, 5/8)
- -- British Ambassador to Nepal Keith Bloomfield said (5/6) that his country had not enlisted the Maoists in its international terrorist list. The comment from the British envoy comes a few days after the United States put the Maoists in its second tier of terrorist list. ("The Kathmandu Post," 5/7)
- "NEPALI CONGRESS PRESIDENT OPPOSES THE RECENT NEPAL-U.S. AGREEMENT ON ANTITERRORISM ASSISTANCE (ATA)"
- -- "Nepali Congress Party President Girija Prasad Koirala has claimed that the Antiterrorism Assistance (ATA) that Nepal signed with another country in order to control terrorist activities will be scrapped as soon as a legal government is established. "All the work done by this illegal government will be declared illegal," he said." ("Kantipur," 5/12) "REACTIONS TO U.S.'S INCLUSION OF MAOISTS ON TERRORIST LIST"
- -- In his first reaction, Maoist President Prachanda has accused the United States of interference in Nepal's internal affairs. Prachanda said, "The United States wants to extend its hold in Nepal, thereby furthering its own interests and influence on India, China and ultimately over whole of South Asia." Prachanda also urged the US to stop what he calls "all activities that interfere in Nepal's internal affairs." "At a time when peace talks are being held to end the insurgency, war mongering forces within and outside the country have increased their conspiracy and activities," the statement said. (Kantipuronline.com, 5/8)
- -- "If the Maoists run away from the talks, they will have no future. The U.S. might attack them. If it attacks, then Nepal might become a puppet regime of America, like Afghanistan and Iraq..." (Editorial in centrist "Nispakshya," V/W, 5/6)
- -- "Many people have not been surprised with America putting the Maoists in its terrorist list. In fact, most Nepalis consider the Maoists as terrorists. The government has begun talks with them not because they are popular among the people or their political ideology is acceptable. The main purpose of the talks is to disarm them and to end terrorism inflicted by them with the help of weapons. The Maoists' activities have been full of terror and they should be called terrorists. America has said what it has seen. There's no need to frown over." (editorial in "Punarjagaran," 5/6)

13. MAOIST ISSUES

"MAOISTS MEET WITH EMBASSY OFFICIALS"

-- ""America is preparing to put the Maoists in the main terrorist list in case the government-Maoists talks fail. An U.S. Embassy representative and the Maoist talks team have met recently. According to an embassy source, the embassy representative, in the meeting a few days ago made clear to the Maoists that America would not supp ort any move that undermined the

- -- For the first time last week Chief Maoist peace negotiator Dr. Baburam Bhattarai and his aide, Krishna Bahadur Mahara met with an official of the American Embassy, an official source said. A First Secretary of the Embassy met with the rebels at the Embassy. The diplomat raised the issue of the murders of two Nepali security guards at the Embassy last year by the rebels, attacks on U.S. interests and the importance of a peaceful political movement at the business-like meeting, a source said. (Nepalnews.com, 5/6)
- -- "The U.S. has expressed the commitment that it would not support or do anything that devaluates Nepal's multiparty democracy. A source has said that a First Secretary of the U.S. Embassy expressed such commitment

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a few days ago in a meeting with Maoist talks team coordinator Dr. Baburam Bhattarai and two other members." (pro-India "Annapurna Times," V/D, 5/6)

"MAOIST ACTIVITIES"

- -- After the second round of talks between the Maoists and the government, the former has set up a contact office in Kathmandu. (leftist "Prakash," V/W, 5/12)
- -- A report compiled by district security committees reveals widespread and unabated Maoist violation of the code extortion, holding of mass meeting with arms and abduction across the country. ("The Himalayan Times," 5/11)
- -- Dr. Baburam Bhattarai said the King, army [Royal Nepal Army] and America were the hurdles in the peace talks. ("Nepal Samacharpatra," 5/8)
- -- Maoist militias were alleged to have physically tortured five civilians after taking them under control and leading to Maoist hideout in connection with the murder of a teacher about three weeks ago. ("The Kathmandu Post," 5/7)
- -- To raise people's opinion in favor of the Maoists' demand of the roundtable meeting, interim government and constituent assembly for a foregoing political solution, the Maoists' Special Central Command has begun "Ring March Campaign 2060" in the districts nearby the Kathmandu Valley. (Maoist-mouthpiece "Janadesh, V/W, 5/6)
- -- A Maoist guerilla woman, who was shot by the Royal Nepal Army in Okhaldhunga district during the ceasefire, died in Kathmandu's Teaching Hospital. A huge rally took a round with her body in the capital before cremation. ("Janadesh," 5/6)
- -- The Maoists have intensified military recruitment and training. They have also extorted people... The future political course will be made clear by the Royal Palace's decision. (centrist "Samata," V/W, 5/6)

14. BUSINESS/ECONOMY

- -- The World Bank has agreed to provide US \$ 5 million loan in support of the government policy of providing an incentive grant to communities taking over management of public schools. ("The Kathmandu Post" and "Kantipur," 5/11)
- -- The export of garments to the U.S. markets, which absorbs around 80 per cent of the total garments exported from Nepal, has increased by a whooping 111 per cent in the month of April as compared to the exports during the corresponding month last year. ("The Kathmandu Post," 5/7)
- -- According to the South Asia Network of Economic Institute, World Bank, there is an illegal trade worth over 30 billion rupees [384 million dollars] between Nepal and India because of the free border and weak custom network. ("Kantipur," 5/7)
 15. HEALTH/SARS
- -- The government decided (5/6) to evacuate all Nepali citizens studying in different Chinese provinces and bring them back home at the earliest. (Media reports, 5/7)

16. OTHERS

-- Strong winds and blizzards sweeping the central and eastern parts of the country have affected the Everest region, preventing dozens of climbers from making it to the top of the world. ("The Kathmandu Post," 5/7)

- -- The government has withdrawn vehicle facilities for former prime ministers and home ministers. It has also called back the security personnel assigned to them. (Media reports, 5/7)
- -- There are 11 professional criminal gangs involved in threatening, manhandling and killing people on contracts in the Kathmandu Valley, say the police. ("The Kathmandu Post," 5/6)
- -- An U.S.-based Nepali youth organization, Nepal Democratic Youth Council (NDYC), has welcomed the joint movement launched by five political parties. ("The Kathmandu Post," 5/6)
- -- The government has welcomed the announcement of the conclusion of the U.S.-led war in Iraq. ("The Himalayan Times," 5/6)

BOGGS